

# Quarterly Investment Report Cowlitz County

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June 30, 2024

Pooled Portfolio

<b>Market and Economic Overview</b>	<b>3</b>
<b>Investment Report</b>	<b>12</b>
<b>Disclosure</b>	<b>27</b>



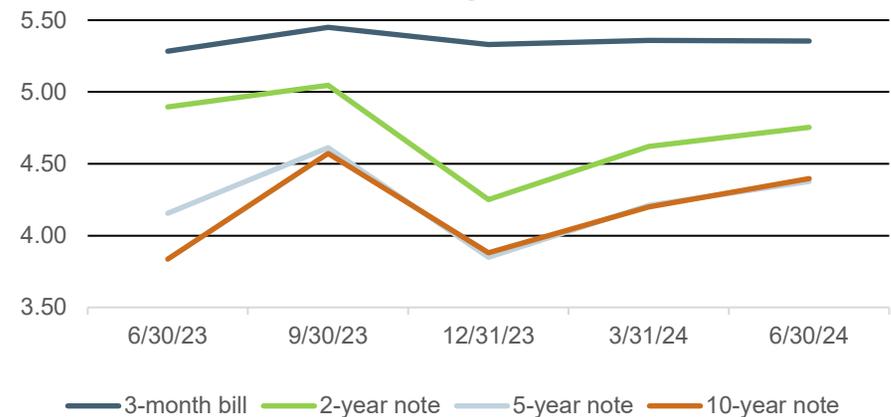
## Market Yields

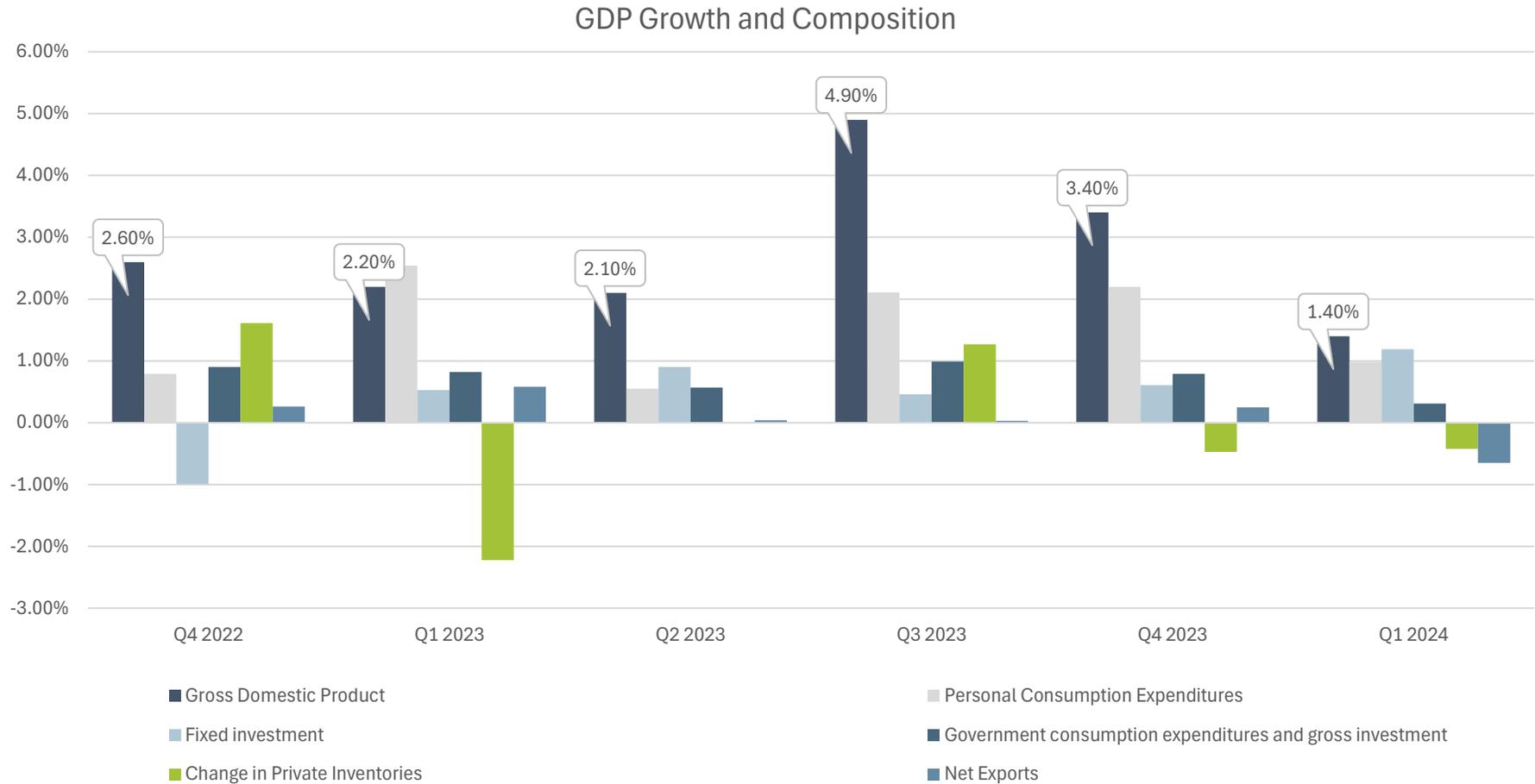
Market yields in Q2 2024 rose early in the quarter on strong jobs data and March’s CPI print before partially retreating on softer inflation and employment data as fixed-income investors adjusted their expectations of the Fed funds market over the near future. Entering Q2, market participants expected the Fed to lower rates at their June meeting, and if not, certainly at their July meeting. The meetings in June and July passed without the Fed acting to lower rates. Inflation proved just sticky enough to reduce expectations of the extent and the timing of lower rates. The economic environment continued to show more resilience to higher rates than expected, which added to the uncertainty of when the Fed would move to lower rates and how long the action to lower rates would last. The bellwether two-year Treasury note increased 13 basis points in yield from Q1 to Q2, closing Q2 with a yield of 4.75%.

Quarterly Yields

	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
<b>3-month bill</b>	5.28	5.45	5.33	5.36	5.36
<b>2-year note</b>	4.90	5.05	4.25	4.62	4.75
<b>5-year note</b>	4.16	4.61	3.85	4.21	4.38
<b>10-year note</b>	3.84	4.57	3.88	4.20	4.40

Quarterly Yields





## GDP

Real GDP slowed to 1.4% in Q1 from a rate of 3.4% at the end of 2023 and it is currently estimated that Q2 growth will land somewhere between 1.5% and 2.0%. While inflation remains above the Fed’s target levels, the trend of slowing GDP growth bears monitoring in light of the Fed continuing to abstain from cutting rates.

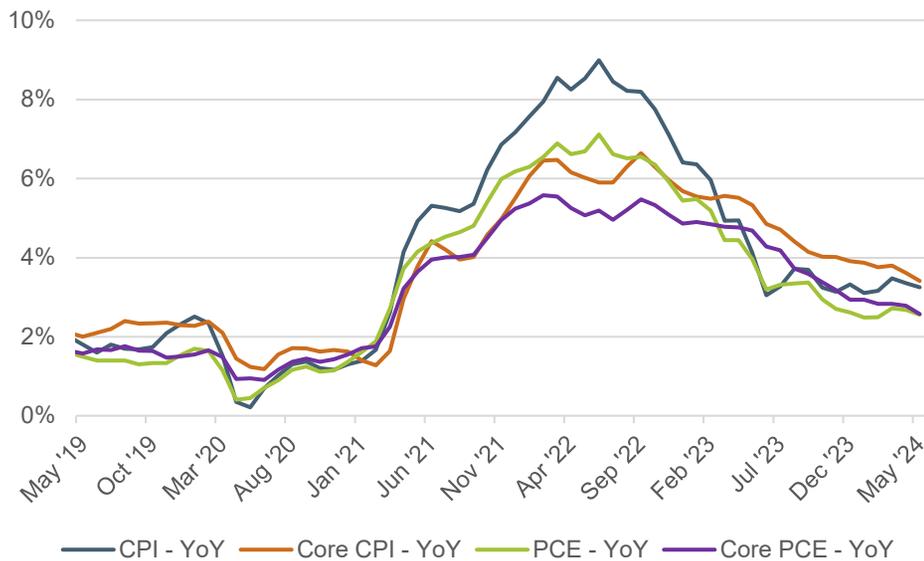
# Inflation

June 30, 2024

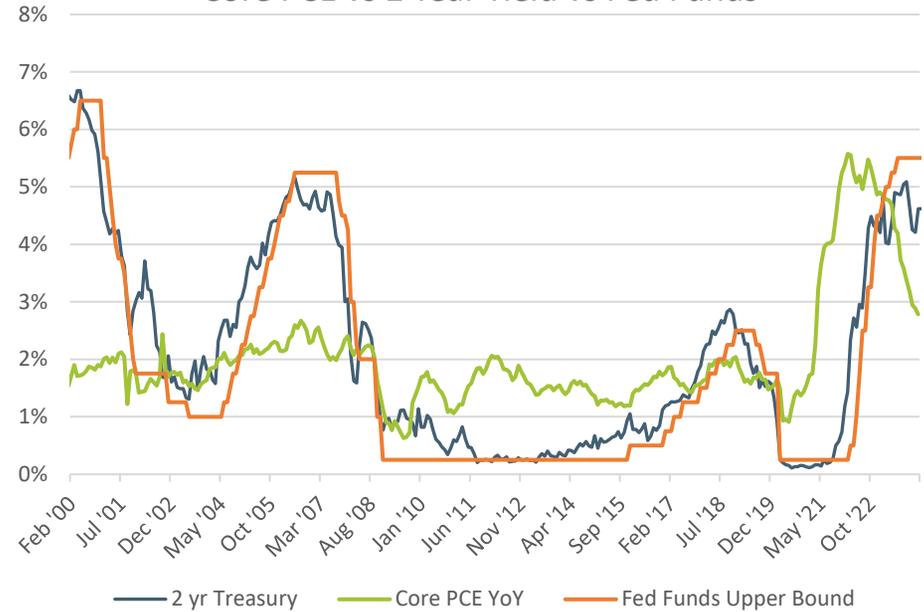
## Inflation

The Fed's preferred inflation metric, Core PCE, slowed during Q2 from a year-ending annual growth rate of 2.9% to 2.6%. The lag effects of higher interest rates are complex to time but are constantly working to increase the cost of capital, which should eventually slow final demand and, consequently, inflation. The Fed funds rate is still trading higher than the inflation rate, which is slightly restrictive but will not deter the Fed from lowering rates as inflation moves closer to its 2% long-term target.

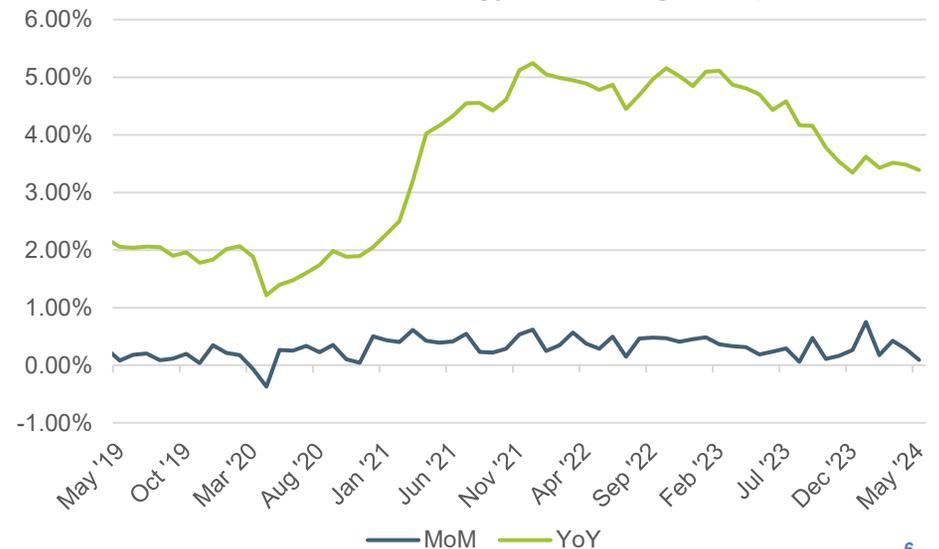
Inflation YoY



Core PCE vs 2 Year Yield vs Fed Funds



PCE Services Ex Energy & Housing - "Supercore"



Source: Federal Reserve, Bureau of Economic Analysis, Bloomberg

# Analyst Expectations

June 30, 2024

## Economists' Survey Projections - Rates

	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25
<b>Fed Funds</b>	5.35	5.05	4.75	4.40	4.15
<b>2 Year</b>	4.53	4.24	4.03	3.85	3.68
<b>10 year</b>	4.25	4.13	4.06	4.01	3.91

## Data Expectations

Market participants are projecting the Fed to successfully navigate a soft landing tied to expectations for 1-2 rates cuts before year end. GDP is projected to rebound from its downward trend and Core PCE is expected to continue its trend lower towards the Fed's target 2% level, all while unemployment remains steady around 4.1%

## Rate Expectations

During Q2, Two-year Treasury yields increased by 13 basis points from 4.62% to 4.75%. Two-year yields are expected to decline with the Fed funds rate as market participants are forecasting two-year notes to trade at 4.50% in Q3 and 4.25% in Q4. Meanwhile, Ten-Year Treasury yields are expected to overtake Two-Year yields once again starting in Q1 2025.

## Economists' Survey Projections - Data

	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25
<b>Real GDP</b>	1.60	1.60	1.80	1.90	2.00
<b>Core PCE (YoY%)</b>	2.70	2.70	2.40	2.30	2.20
<b>Unemployment</b>	4.00	4.10	4.10	4.20	4.10

# Labor Trends

June 30, 2024

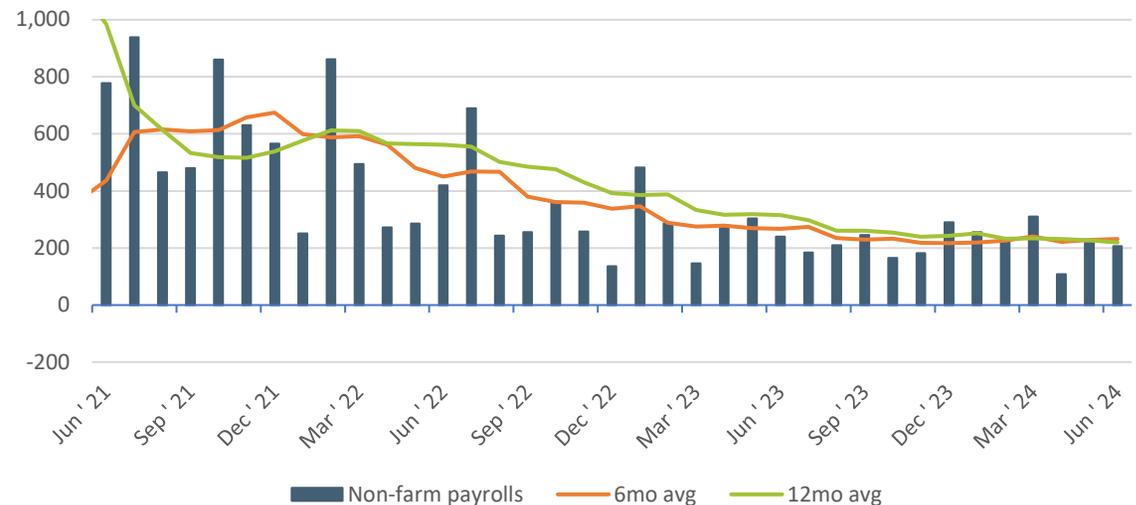
## Employment

The labor market softened in Q2 as the unemployment rate rose to 4.1%, the highest level since November 2021. Job openings declined along with a decrease in the quits ratio as fewer workers walked away from their jobs, hoping to find something better. A growing number of people filed for unemployment benefits. The increase in labor slack contributed to a slowing in wage growth from 4.1% to 3.9%. However, continued weakness in labor and moderating wage growth provides a promising outlook for the future as it will likely allow the Fed to ease rates sometime in Q3, most likely at their September 18 meeting.

### Average Hourly Earnings YoY



### Non-Farm Payrolls



Source: Bureau of Labor Statistics, Bloomberg

# Consumption

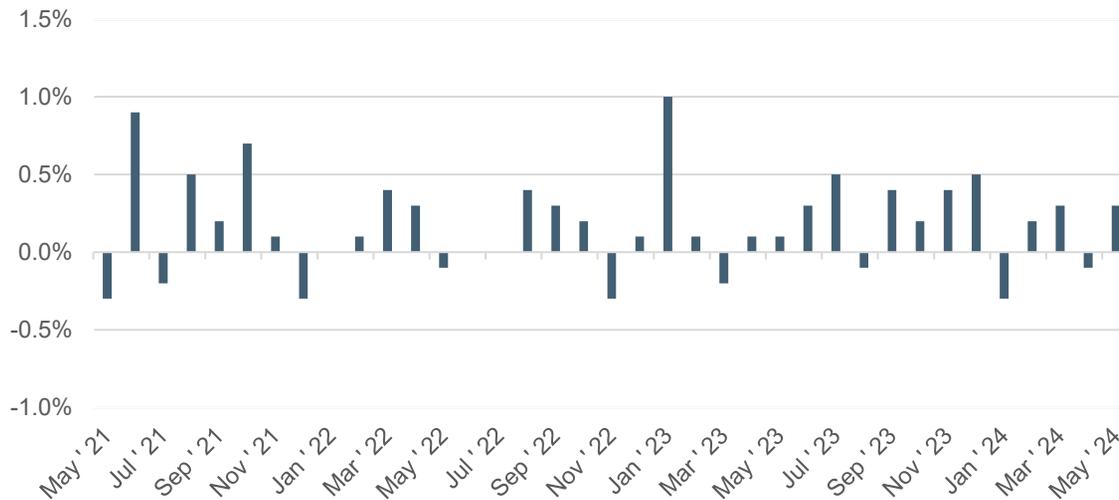
June 30, 2024

## Retail Sales

Consumers downshifted in Q2 led by a decrease in spending on goods, continuing the softening trend that started with in early 2022.



## Real Personal Consumption



## Real Personal Consumption

Spending on services has remained buoyant, increasing MoM and matching the March reading, however, it appears that it too is beginning to moderate..

# Federal Open Market Committee & Fed Funds Rate

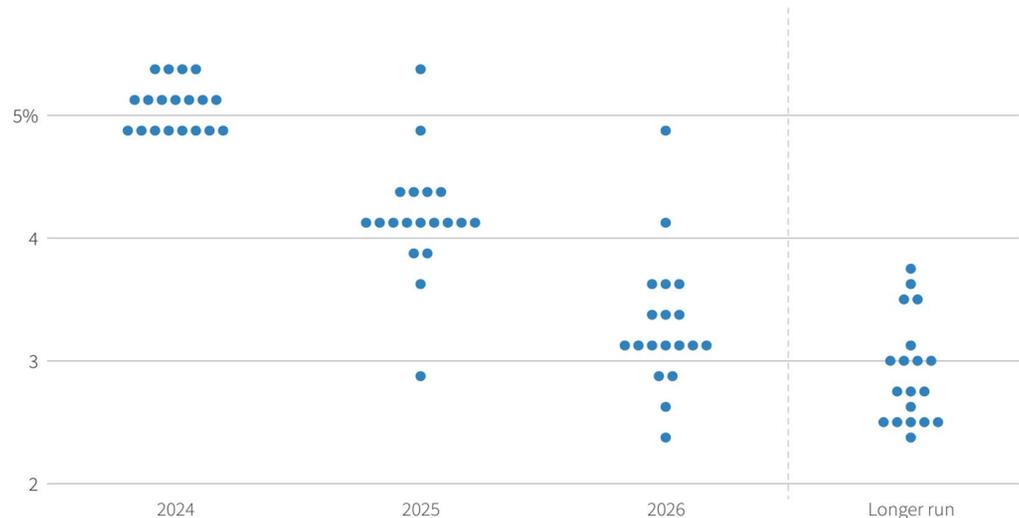
June 30, 2024

## Federal Open Market Committee

The FOMC was cautious about lowering rates in Q2 2024. Despite the Fed's progress in lowering inflation closer to its 2% target, the FOMC communicated its intention to hold off on rate cuts until it is confident that inflation will continue to decrease. This cautious approach will help prevent a premature easing that could reverse the Fed's progress in lowering inflation. The continuation of the disinflationary trend, along with a slightly weaker labor market, should allow the Fed an opportunity to start its easing phase of this cycle. We expect the Fed will lower rates by 25 basis points at their September 18th meeting and then another 25 basis points at their December 18<sup>th</sup> meeting. By year-end, Fed funds are expected to be trading at 4.75% to 5.00%.

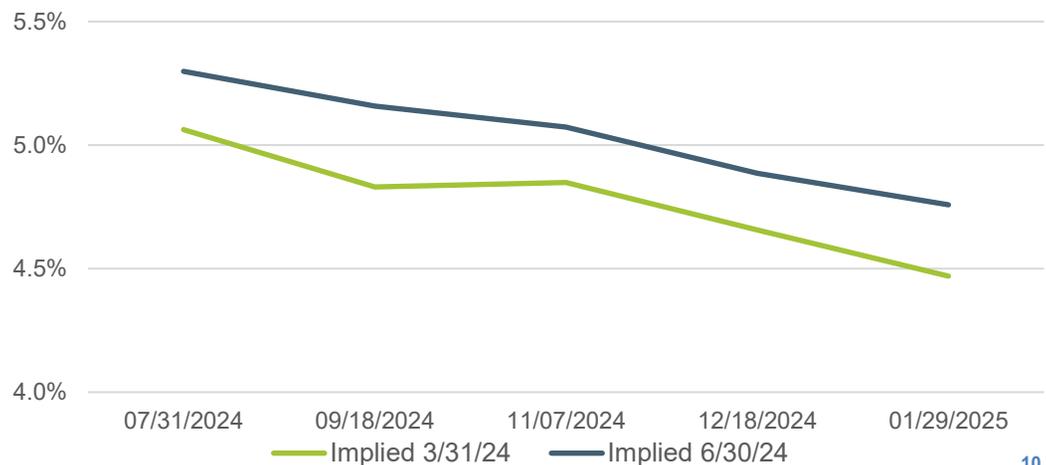
## The Fed's dot plot

Interest rate projections by officials at the Federal Open Market Committee



Each dot represents a year-end projection from June 2024. Published June 12, 2024 at 6:02 PM GMT  
Sources: The Federal Reserve

## Fed Funds Rate Futures



## Duration

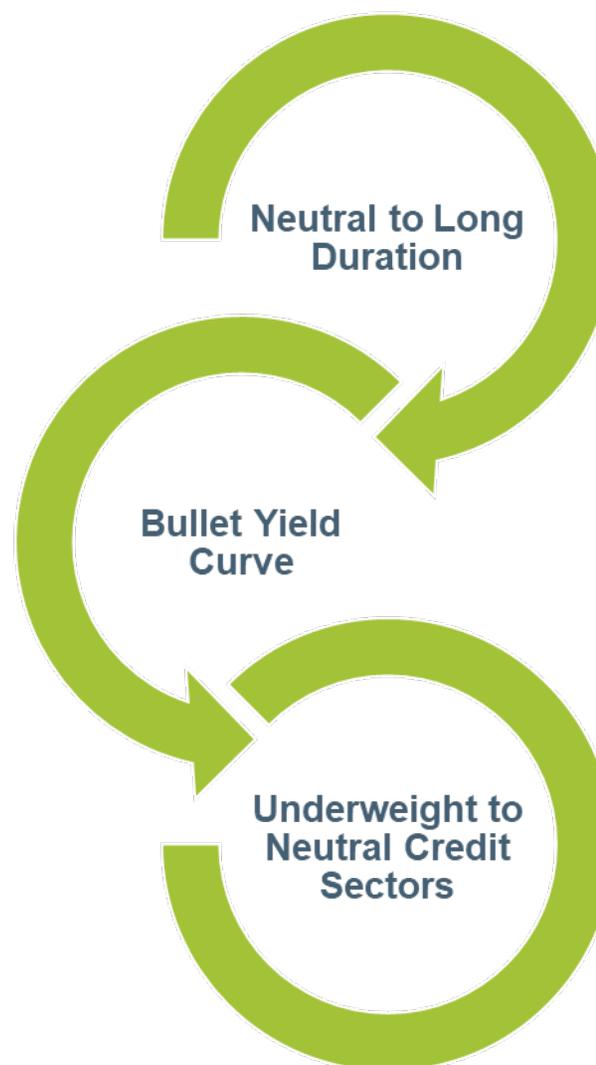
Given our outlook for lower rates into next year, we are focused on moving core portfolio durations neutral to long relative to the benchmark effectively, locking in higher rates for longer.

## Yield Curve

The inversion of the yield curve supports slightly overweighting the middle of the maturity buckets relative to the index. We will seek to add to the 2-3 year sector if portfolio duration is aligned.

## Asset Classes

Corporate and municipal debt securities are considered credit. When yield spreads are tight to US Treasuries, credit risk is considered to be rich, or expensive. We are starting to see spreads move back to historical averages and will work on unwinding the current underweighted positioning when opportunities arise.





# Compliance Report

Cowlitz County | Total Pool Portfolio



June 30, 2024

## Category

Policy Diversification Constraint	Policy Limit	Actual Value*	Status
US Treasury Obligations Maximum % of Holdings	100.000	25.353	Compliant
US Agency Callable Securities Maximum % of Total Portfolio	35.000	0.000	Compliant
US Agency FFCB Issuer Concentration	25.000	19.293	Compliant
US Agency FHLB Issuer Concentration	35.000	16.490	Compliant
US Agency FHLMC Issuer Concentration	35.000	1.150	Compliant
US Agency FNMA Issuer Concentration	35.000	1.209	Compliant
US Agency Obligations - All Other Issuers Combined	35.000	0.000	Compliant
US Agency Obligations Issuer Concentration	35.000	19.293	Compliant
US Agency Obligations Maximum % of Holdings	100.000	38.142	Compliant
Supranationals - Issuer is ADB, IADB, IBRD, or IFC	0.000	0.000	Compliant
Supranationals Issuer Concentration	5.000	0.000	Compliant
Supranationals Maximum % of Holdings	10.000	0.000	Compliant
Municipal Bonds Issuer Concentration	5.000	0.000	Compliant
Municipal Bonds Maximum % of Holdings	30.000	0.000	Compliant
Municipal Bonds WA issues GO/Local and GO only Outside WA	0.000	0.000	Compliant
Corporate Note Portfolio Duration (years)	3.000	1.354	Compliant
Corporate Notes & Commercial Paper Foreign Exposure except Canada	2.000	0.000	Compliant
Corporate Notes & Commercial Paper Maximum % of Holdings	25.000	2.930	Compliant
Corporate Notes & Commercial Paper Single Issuer %	3.000	0.730	Compliant
Certificates of Deposit Issuer Concentration	10.000	0.000	Compliant
Certificates of Deposit Maximum % of Holdings	25.000	0.000	Compliant
Banker's Acceptance Issuer Concentration	5.000	0.000	Compliant
Banker's Acceptance Maximum % of Holdings	20.000	0.000	Compliant
LGIP Maximum % of Holdings	100.000	33.466	Compliant
PDPC Bank Deposits Issuer Concentration	10.000	0.000	Compliant
PDPC Bank Deposits Maximum % of Holdings	20.000	0.000	Compliant

1) Actual values are based on market value.

2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

# Compliance Report

Cowlitz County | Total Pool Portfolio



June 30, 2024

## Category

<b>Policy Maturity Structure Constraint</b>	<b>Policy Limit</b>	<b>Actual %</b>	<b>Status</b>
Maturity Constraints Under 30 days Minimum % of Total Portfolio	10.000	35.968	Compliant
Maturity Constraints Under 1 year Minimum % of Total Portfolio	25.000	57.941	Compliant
Maturity Constraints Under 5.5 years Minimum % of Total Portfolio	100.000	100.000	Compliant
<b>Policy Maturity Constraint</b>	<b>Policy Limit</b>	<b>Actual Term</b>	<b>Status</b>
US Treasury Maximum Maturity At Time of Purchase (years)	5.500	3.000	Compliant
US Agency Maximum Maturity At Time of Purchase (years)	5.500	3.030	Compliant
Supranationals Maximum Maturity At Time of Purchase (years)	5.500	0.000	Compliant
Municipals Maximum Maturity At Time of Purchase (years)	5.500	0.000	Compliant
Corporate Maximum Maturity At Time of Purchase (years)	5.500	2.964	Compliant
Commercial Paper Maximum Maturity At Time of Purchase (days)	270.00	0.000	Compliant
Certificates of Deposit Maximum Maturity At Time of Purchase (years)	5.500	0.000	Compliant
Banker's Acceptance Maximum Maturity At Time of Purchase (days)	180.00	0.000	Compliant
Weighted Average Maturity (years)	1.500	0.975	Compliant
<b>Policy Credit Constraint</b>			<b>Status</b>
Supranationals Ratings AA-/Aa3/AA- or better (Rated by 1 NRSRO)			Compliant
Municipal Bonds Ratings Minimum AA-/Aa3/AA- (Rated by 1 NRSRO)			Compliant
Corporate Notes A-/A3/A- Issuer Concentration (Rated by 1 NRSRO) (2%)			Compliant
Corporate Notes AA-/Aa3/AA- by All If Rated Issuer Concentration (3%)			Compliant
Corporate Notes Ratings Minimum A-/A3/A- by All if rated			Compliant
Corporate Notes Single A with Negative Outlook Cannot Purchase			Compliant
Commercial Paper Over 100 days Minimum Long Term Rating A-/A3/A- by one			Compliant
Commercial Paper Ratings Minimum ST Rating A1/P1/F1 (Rated by 2 NRSROs)			Compliant

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2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

## Strategic Outlook

- Real GDP increased in Q1 at a 1.4% annual rate, a slowdown from the strong Q3 and Q4 2023 marks but remains in positive territory. Over the coming year, growth is expected to show moderate advancement ranging from 1.5% to 2%.
- The consumer continues to prove resilient in the face of elevated inflation, but signs of softening are evident. With unemployment ticking up to 4.1% in Q2 – the highest level since November 2021-and wage growth slowing, the economic environment provides a promising outlook for the Fed to ease rates, which we believe will most likely occur during the September meeting.
- Core PCE slowed from a year-ending annual growth rate of 2.9% to 2.6% as the disinflationary trend resumed moving towards the Fed's target 2% level. As a result, more economists are predicting that the Fed may successfully navigate the elusive soft landing.

## Portfolio Positioning

- The investment component size is funded and in good position. We are focused on a neutral duration position relative to the benchmark based on the Fed's outlook for interest rate cuts in 2024.
- The maturity structure was built out between six month and three year maturities.
- The total portfolio book yield decreased from 5.084 to 5.061.
- The total portfolio unrealized loss ended the quarter at -\$96,778.
- The core portfolio duration increased over the quarter from 1.247 last quarter to 1.364 this quarter. The benchmark duration ended the quarter at 1.381.
- Net total return for the core portfolio, which includes change in market value and interest income, was 1.10%. The benchmark total return for the period was 1.05%.

# Strategic Quarterly Update

Cowlitz County | Total Aggregate Portfolio



June 30, 2024

Metric	Previous	Current
<b>Strategy</b>	<b>03/31/2024</b>	<b>06/30/2024</b>
<b>Effective Duration</b>		
Pooled Investment Core	1.25	1.36
Benchmark Duration	1.37	1.38
<b>Total Effective Duration</b>	<b>0.81</b>	<b>0.91</b>
<b>Total Return (Net of Fees %)*</b>		
Pooled Investment Core	0.74	1.10
Benchmark Return	0.58	1.05
<b>Total Portfolio Performance</b>	<b>0.91</b>	<b>1.22</b>
<i>*Changes in Market Value include net unrealized and realized gains/ losses.</i>		
<b>Maturity Total Portfolio</b>		
<b>Average Maturity Total Holdings</b>	<b>0.87</b>	<b>0.98</b>

Metric	Previous	Current
<b>Book Yield</b>	<b>03/31/2024</b>	<b>06/30/2024</b>
<b>Ending Book Yield</b>		
Pooled Investment Core	4.90%	4.88%
Pooled Liquidity	5.41%	5.43%
<b>Total Book Yield</b>	<b>5.08%</b>	<b>5.06%</b>
<b>Values</b>	<b>03/31/2024</b>	<b>06/30/2024</b>
<b>Market Value + Accrued</b>		
Pooled Investment Core	249,123,178	272,840,813
Pooled Liquidity	137,255,742	135,764,297
<b>Total MV + Accrued</b>	<b>386,378,920</b>	<b>408,605,110</b>
<b>Net Unrealized Gain/Loss</b>		
<b>Total Net Unrealized Gain/Loss</b>	<b>103,426</b>	<b>(96,778)</b>

# Asset Allocation Change over Quarter

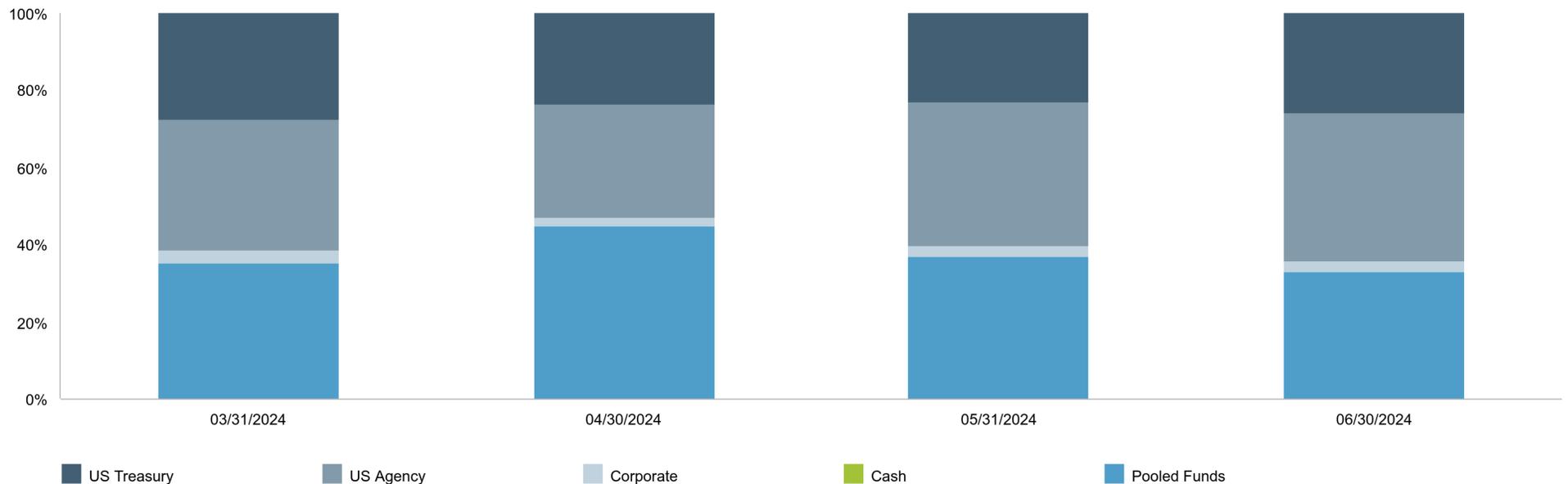


Cowlitz County | Total Aggregate Portfolio

June 30, 2024

## Asset Allocation Changes

Security Type	03/31/2024		06/30/2024		Change	
	Market Value + Accrued	% of Portfolio	Market Value + Accrued	% of Portfolio	Market Value + Accrued	% of Portfolio
US Treasury	105,793,888.27	27.38%	103,706,108.97	25.38%	(2,087,779.30)	(2.00%)
US Agency	130,993,380.98	33.90%	156,625,465.19	38.33%	25,632,084.21	4.43%
Corporate	12,085,908.36	3.13%	12,065,488.34	2.95%	(20,420.02)	(0.18%)
Cash	250,000.00	0.06%	443,750.00	0.11%	193,750.00	0.04%
Pooled Funds	137,255,742.49	35.52%	135,764,297.16	33.23%	(1,491,445.33)	(2.30%)
<b>Total</b>	<b>386,378,920.10</b>	<b>100.00%</b>	<b>408,605,109.67</b>	<b>100.00%</b>	<b>22,226,189.56</b>	



*If negative cash balance is showing, it is due to a pending trade payable at the end of period.*

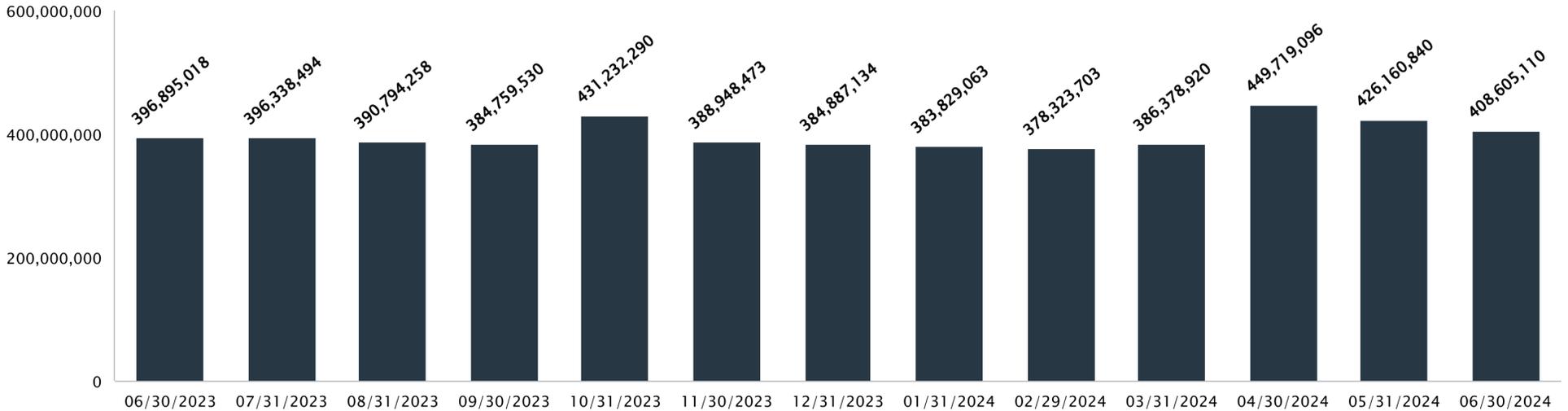
# Historical Balances

Cowlitz County | Total Pooled Portfolio



June 30, 2024

## Market Value



## Market Value and Return

Period Begin	Period End	Market Value + Accrued	Earned Income	Book Yield	Effective Duration	Maturity in Years
07/01/2023	07/31/2023	396,338,494	1,644,600	5.17%	0.38	0.42
08/01/2023	08/31/2023	390,794,258	1,624,223	5.14%	0.52	0.56
09/01/2023	09/30/2023	384,759,530	1,604,246	5.12%	0.64	0.68
10/01/2023	10/31/2023	431,232,290	1,660,110	5.16%	0.70	0.75
11/01/2023	11/30/2023	388,948,473	1,741,683	5.11%	0.85	0.91
12/01/2023	12/31/2023	384,887,134	1,623,951	5.10%	0.82	0.88
01/01/2024	01/31/2024	383,829,063	1,597,411	5.07%	0.84	0.90
02/01/2024	02/29/2024	378,323,703	1,502,643	5.06%	0.88	0.94
03/01/2024	03/31/2024	386,378,920	1,605,346	5.08%	0.81	0.87
04/01/2024	04/30/2024	449,719,096	1,662,477	5.14%	0.71	0.76
05/01/2024	05/31/2024	426,160,840	1,894,336	5.10%	0.87	0.94
06/01/2024	06/30/2024	408,605,110	1,723,087	5.06%	0.91	0.98

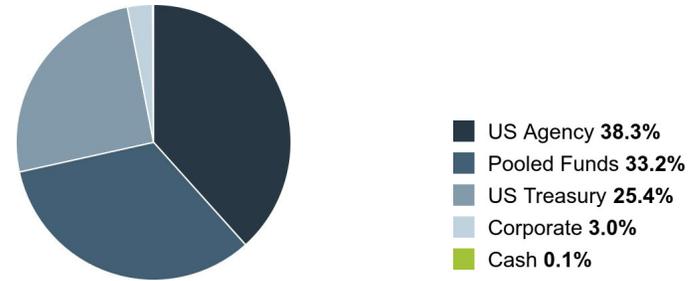
# Summary Overview

Cowlitz County | Total Pooled Portfolio

## Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	136,208,047.16
Investments	272,397,062.51
Book Yield	5.06%
Market Yield	5.14%
Effective Duration	0.91
Years to Maturity	0.98
Avg Credit Rating	AAA

## Allocation by Asset Class



## Strategic Structure

Account	Par Amount	Market Value	Net Unrealized Gain (Loss)	Yield at Cost	Effective Duration	Benchmark Duration	Benchmark
COWLITZ-Pooled Investment Core	271,443,750.00	269,916,922.66	(96,778.27)	4.88%	1.36	1.38	ICE BofA 0-3 Year US Treasury Index
COWLITZ-Pooled Liquidity	135,764,297.16	135,764,297.16	0.00	5.43%	0.01	0.08	ICE BofA US 1-Month Treasury Bill Index
<b>Total</b>	<b>407,208,047.16</b>	<b>405,681,219.82</b>	<b>(96,778.27)</b>	<b>5.06%</b>	<b>0.91</b>	<b>0.99</b>	

# Portfolio Activity

Cowlitz County | Total Pooled Portfolio



June 30, 2024

## Accrual Activity Summary

	Quarter to Date	Fiscal Year to Date (01/01/2024)
Beginning Book Value	383,641,247.45	381,063,741.37
Maturities/Calls	(25,000,000.00)	(58,500,000.00)
Purchases	48,079,227.24	69,654,715.53
Sales	0.00	0.00
Change in Cash, Payables, Receivables	(1,297,695.33)	12,695,769.89
Amortization/Accretion	355,218.73	863,771.31
Realized Gain (Loss)	0.00	0.00
Ending Book Value	405,777,998.10	405,777,998.10

## Fair Market Activity Summary

	Quarter to Date	Fiscal Year to Date (01/01/2024)
Beginning Market Value	383,744,673.58	382,386,954.79
Maturities/Calls	(25,000,000.00)	(58,500,000.00)
Purchases	48,079,227.24	69,654,715.53
Sales	0.00	0.00
Change in Cash, Payables, Receivables	(1,297,695.33)	12,695,769.89
Amortization/Accretion	355,218.73	863,771.31
Change in Net Unrealized Gain (Loss)	(200,204.39)	(1,419,991.69)
Net Realized Gain (Loss)	0.00	0.00
Ending Market Value	405,681,219.83	405,681,219.83

Maturities/Calls	Market Value
Quarter to Date	(25,000,000.00)
Fiscal Year to Date	(58,500,000.00)

Maturities	Market Value
Quarter to Date	48,079,227.24
Fiscal Year to Date	69,654,715.53

Sales	Market Value
Quarter to Date	0.00
Fiscal Year to Date	0.00

# Return Management-Income Detail

Cowlitz County | Total Aggregate Portfolio



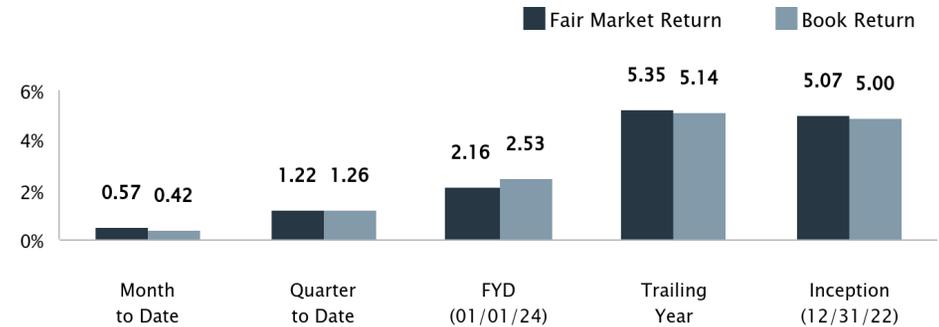
June 30, 2024

## Accrued Book Return

	Quarter to Date	Fiscal Year to Date (01/01/2024)
Amortization/Accretion	355,218.73	863,771.31
Interest Earned	4,924,681.28	9,121,529.34
Realized Gain (Loss)	0.00	0.00
Book Income	5,279,900.02	9,985,300.65
Average Portfolio Balance	416,071,791.07	394,851,881.19
Book Return for Period	1.26%	2.53%

## Return Comparisons

Periodic for performance less than one year. Annualized for performance greater than one year.



## Fair Market Return

	Quarter to Date	Fiscal Year to Date (01/01/2024)
Market Value Change	(200,204.39)	(1,419,991.69)
Amortization/Accretion	355,218.73	863,771.31
Interest Earned	4,924,681.28	9,121,529.34
Fair Market Earned Income	4,724,476.89	7,701,537.65
Average Portfolio Balance	416,071,791.07	394,851,881.19
Fair Market Return for Period	1.22%	2.16%

## Interest Income

	Quarter to Date	Fiscal Year to Date (01/01/2024)
Beginning Accrued Interest	2,634,246.53	2,500,178.88
Coupons Paid	5,167,052.24	9,529,753.67
Purchased Accrued Interest	282,014.27	388,185.29
Sold Accrued Interest	0.00	0.00
Ending Accrued Interest	2,923,889.84	2,923,889.84
Interest Earned	4,924,681.28	9,121,529.34

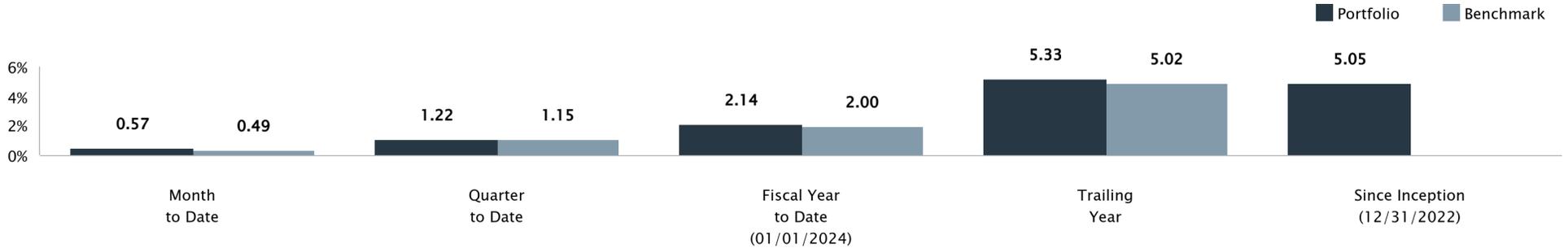
Notation: Book and Fair Market Returns are not annualized

# Return Management-Performance

Cowlitz County | Total Aggregate Portfolio

## Performance Returns Net of Fees

Periodic for performance less than one year. Annualized for performance greater than one year.



## Historical Returns

Period	Month to Date	Quarter to Date	Fiscal Year to Date (01/01/2024)	Trailing Year	Since Inception (12/31/2022)
Return (Net of Fees)*	0.571%	1.218%	2.143%	5.325%	5.047%
Return (Gross of Fees)	0.573%	1.224%	2.158%	5.350%	5.072%
Custom Benchmark 70% ICE BofA 0-3 Year US Tsy (G1QA) and 30% ICE BofA US 1-Month T-Bill (GBOM)	0.488%	1.154%	2.002%	5.017%	-

# Security Type Distribution

Cowlitz County | Total Aggregate Portfolio

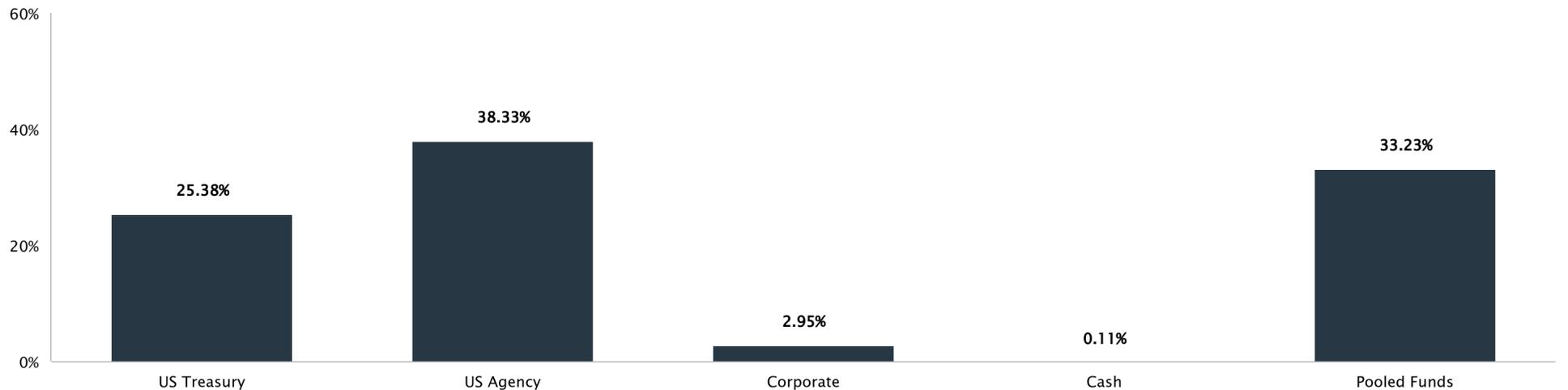


June 30, 2024

## Security Type Distribution

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	103,500,000.00	4.79%	103,706,108.97	25.38%
US Agency	155,500,000.00	4.94%	156,625,465.19	38.33%
Corporate	12,000,000.00	5.02%	12,065,488.34	2.95%
Cash	443,750.00	0.00%	443,750.00	0.11%
Pooled Funds	135,764,297.16	5.43%	135,764,297.16	33.23%
<b>Total</b>	<b>407,208,047.16</b>	<b>5.06%</b>	<b>408,605,109.67</b>	<b>100.00%</b>

## Security Type Distribution



# Risk Management-Credit/Issuer

Cowlitz County | Total Aggregate Portfolio

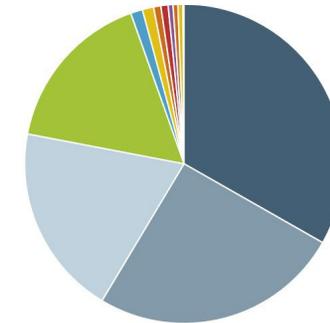


June 30, 2024

## Credit Rating S&P/Moody's/Fitch

	Market Value + Accrued	%
<b>S&amp;P</b>		
A	6,105,694.42	1.49
A+	2,977,877.18	0.73
A-	2,981,916.74	0.73
AA+	260,331,574.16	63.71
AAA	443,750.00	0.11
NA	135,764,297.16	33.23
<b>Moody's</b>		
A1	12,065,488.34	2.95
Aaa	260,775,324.16	63.82
NA	135,764,297.16	33.23
<b>Fitch</b>		
A+	5,011,351.77	1.23
AA+	250,208,296.00	61.23
AA-	7,054,136.57	1.73
AAA	443,750.00	0.11
F1+	10,123,278.17	2.48
NA	135,764,297.16	33.23
<b>Total</b>	<b>408,605,109.67</b>	<b>100.00</b>

## Issuer Concentration



- WASHINGTON LGIP 33.2%
- United States 25.4%
- Farm Credit System 19.4%
- Federal Home Loan Banks 16.6%
- Federal National Mortgage Association 1.2%
- Federal Home Loan Mortgage Corporation 1.1%
- JPMorgan Chase & Co. 0.7%
- Toyota Motor Corporation 0.7%
- The Toronto-Dominion Bank 0.5%
- Deere & Company 0.5%
- Royal Bank of Canada 0.5%
- US Dollar 0.1%

# Risk Management-Maturity/Duration

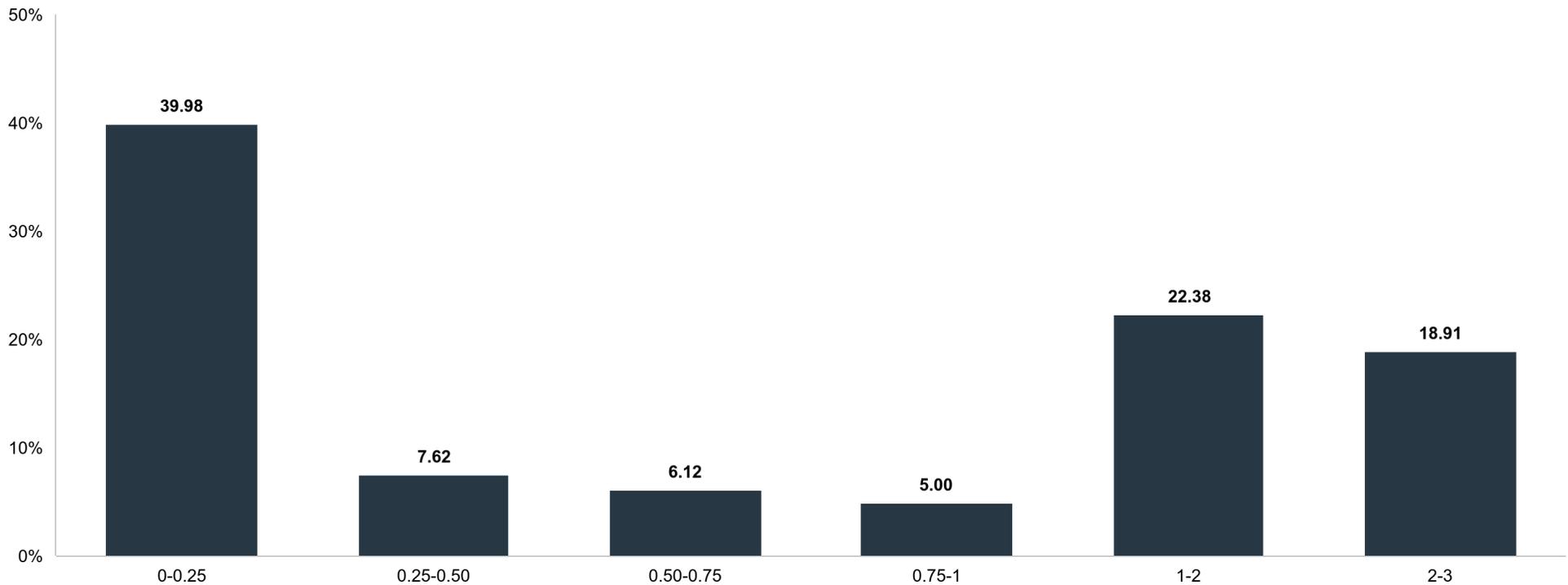
Cowlitz County | Total Aggregate Portfolio



June 30, 2024

<b>0.91 Yrs</b>	<b>Effective Duration</b>	<b>0.98 Yrs</b>	<b>Years to Maturity</b>	<b>357</b>	<b>Days to Maturity</b>
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Distribution by Effective Duration



# Shock Analysis

Cowlitz County | Pooled Investment Core



June 30, 2024

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Account	Market Value	Duration	+10 BP FMV Change	+25 BP FMV Change	+50 BP FMV Change	+100 BP FMV Change
COWLITZ-Pooled Investment Core	269,916,922.67	1.364	(266,234.32)	(665,585.79)	(1,331,171.58)	(3,682,606.61)
Total	269,916,922.67	1.364	(266,234.32)	(665,585.79)	(1,331,171.58)	(3,682,606.61)

The changes in market values displayed represent approximations of principal changes given an instantaneous increase in interest rates. Changes in interest rates over longer periods would most likely mitigate the impact of an instantaneous change through the addition of the interest income received on the investments within the portfolio. Additional impacts to consider when estimating future principal changes also include, but are not limited to, changes in the shape of the yield curve, changes in credit spreads.

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